



United States
Department of
Agriculture

Food and
Nutrition
Service

Mountain
Plains
Region

1244 Speer Boulevard
Denver, CO 80204

Reply to
Attn. of:

SP 94-C-15

NOV 8 1993

Subject: State Agency Guidance for Monitoring the Performance of Food Service Management Companies

To: STATE AGENCY DIRECTORS - Colorado ED, Iowa, Kansas, Missouri ED,
(Special Nutrition Programs) Montana OPI, Nebraska ED, North Dakota
South Dakota, Utah and Wyoming ED

Attached for your information and use is guidance relating to State Agency requirements for monitoring the performance of food service management companies in the National School Lunch Program and/or the School Breakfast Program. It consolidates Mountain Plains Regional Office policies on this subject into one document.

Ann C. Hector
ANN C. HECTOR
Regional Director
Special Nutrition Programs

Attachment

CONTRACTING WITH FOOD SERVICE MANAGEMENT COMPANIES

**GUIDANCE FOR
STATE AGENCIES**

**FOOD AND NUTRITION SERVICE
FY 93**

Introduction

In 1988, the Office of Inspector General (OIG) issued an audit that examined contracting procedures used by school food authorities (SFAs) to obtain Food Service Management Company (FSMC) services for meals served under the National School Lunch Program (NSLP). At that time, FSMCs prepared over a million lunches each day in 838 SFAs. While less than 5 percent of the SFAs operated nationwide under contracts with FSMCs, the impact of FSMCs on some individual states was more pronounced. For example, in eight states, the number of students served was over 10 percent of the states' total students, but in one state, 28 percent of the students were served by FSMCs. In its assessment of FSMCs, OIG concluded that SFAs more often than not improperly restricted competition among FSMCs by not complying with established procurement procedures. This condition resulted because Food and Nutrition Service and State Agencies (SAs) needed to strengthen program management and ensure greater compliance with existing requirements for competitive bidding. To that end, we provided guidance for SFAs contemplating entering into a contract with a FSMC to manage any portion of the food service operation. In addition, prototype review forms have been developed which may be modified, as necessary, to meet State and local review requirements. They are Attachment A, CHECKLIST FOR EVALUATING SCHOOL FOOD AUTHORITY PROCUREMENT OF SERVICES FROM FOOD SERVICE MANAGEMENT COMPANIES; Attachment C, SCHOOL FOOD AUTHORITY ON-SITE REVIEW OF FOOD SERVICE MANAGEMENT COMPANY PREPARATION AND/OR SERVING SITES; and Attachment D, FOOD SERVICE MANAGEMENT COMPANY REVIEW FORM (for State Agency staff). The following guidance consolidates Mountain Plains Regional Office policies relating to SA monitoring responsibilities.

I. Monitoring FSMCs in the NSLP

Part 210.19(a)(5) requires the SA to annually review contracts between SFAs and FSMCs for compliance with Part 210.16 requirements and to perform at least one on-site review during each 4-year period. The SA also has the option to require that all FSMCs register with its office before entering into a contract to provide meals to a SFA.

The following guidance does not pertain to the procurement of vended pre-plated meals under the NSLP since the purveyor has no direct or implied input into the process of determining which food items will or will not meet the meal pattern requirements and is not involved in any aspect of the nonprofit school food service and only provides meals or components based on the SFA's specifications. For example, maintaining specification sheets for documenting that a particular food item is creditable under NSLP requirements is a management function and such documentation must be requested and retained by the SFA. This differentiation is necessary because Part 210.2 defines the term FSMC "to mean a commercial enterprise or a nonprofit organization which is or may be contracted with by the SFA to manage any aspect of the school food service."

II. Annual Evaluation

The evaluation of the initial FSMC contract is the most crucial since it not only determines that all regulatory citations are incorporated into the contract, but ensures the Invitation To Bid (ITB) or the Request for Proposal (RFP) contains the items specified in Part 210.16(b). Likewise, in accordance with OMB Circular A-102, Attachment D, Paragraph 6, the SFA is prohibited from awarding a contract without competition or awarding a contract when only one bid or offer is received unless the SA has determined that the proposed contract and related procurement documents are approvable. The SA should, therefore, require SFAs to submit the ITBs or RFPs and proposed contracts for SA evaluation.

The terms, ITB and RFP, in the context of the basic procurement standards of OMB Circular A-102 or A-110, refers to the document that includes the following items:

- (1) a clear and accurate description of the product or service to be purchased;
- (2) each requirement the FSMC is expected to satisfy in order to do business, i.e., mandatory clauses referencing specific Federal laws experience, financial and technical resources, bonding requirements, etc.; and
- (3) other factors which will be used in evaluating the bids, i.e., contractor integrity, compliance with public policy, and record of past performance.

All ITBs/RFPs/Contracts must contain the following provisions (See Attachment A):

Part 210.16(b)(1)

The ITB/RFP must contain a 21-day cycle menu to be used as a standard for the purpose of basing bids or estimating average cost per meal. If a SFA has no capability to prepare a cycle menu, it may with SA approval, request that a 21-day cycle menu be developed and submitted by each FSMC which intends to submit a bid or proposal to the SFA. The FSMC must adhere to the cycle for the first 21 days of meal service. Changes thereafter may be made with the approval of the SFA.

**Part 210.16(b)(2)
Part 210.21(b)**

The ITB/RFP must state that nonperformance subjects the FSMC to specified sanctions if the FSMC violates or breaches terms of the contract, and that the SFA is the responsible authority without recourse to FNS or the SA for the settlement and satisfaction of all contractual and administrative issues arising from the transaction. Such authority includes, but is not limited to, source evaluation, protests, disputes, claims, or other matters of contractual nature. Matters concerning violation of the law will be referred to the local, State, or Federal authority that has proper jurisdiction. (See Attachment B)

**Part 210.21
OMB Cir A-102
Attachment "O"
Para 10**

The ITB/RFP and contract must identify each regulatory requirement the FSMC is expected to meet, including selection procedures which provide for maximum open and free competition.

**Part 210.16(c)(1)
Part 210.23(c)**

The FSMC must maintain records the SFA will need to support its Claim for Reimbursement and retain such records for a 3-year period from the date of receipt of final payment under the contract. If audit findings have not been resolved, the records must be retained beyond the 3-year period as required for the resolution of the issues raised by the audit.

Part 210.16(c)(2)

The FSMC must maintain, for the period of contract, State or local health certification for any facility outside the school in which it will prepare meals.

- Part 210.16(c)(3) No payments will be made for meals that are spoiled or unwholesome at the time of delivery or do not meet detailed specifications for each food component as detailed in Part 210.10 of the Regulations or do not otherwise meet the requirements of the contract.
- Part 210.16(d) The period of the contract may not exceed one year with the option of four annual renewals to extend the contract. The basis for renewing a contract, including price increase or decrease provisions, if any, must be stated in the contract and ITB/RFP, as appropriate.
- Part 210.16(d) Either party may cancel for cause if notification is provided no less than 60 days prior to the effective date of the termination.
- Part 210.16(a)(6)
Part 250.12(b)(3) Any USDA donated commodities received by the SFA and made available to the FSMC must accrue only to the benefit of and be used only in the SFA's nonprofit school food service. The liability for the proper use of these commodities will be the responsibility of the FSMC. The FSMC shall maintain accurate and complete records with respect to use/disposition, storage, and inventory of donated foods. Failure by the FSMC to maintain records required under the contract shall be considered prima facie evidence of improper use or loss of donated foods. The SFA will obtain restitution from the FSMC in connection with any claim for improper distribution, use or loss of, or damage to donated foods.
- Part 210.16(c) Cost-plus-a-percentage-of-cost or cost-plus-a-percentage-of-income contracts are not permitted.
- Part 210.14(a) Revenues will only be used for the SFA's nonprofit school food service program and will not accrue to the FSMC. All revenue and any expenses which are charged to an SFA (under cost-plus-fee contracts) must flow through the SFA's chart of accounts. FSMC expenses which are not billed to the SFA cannot be recorded as expenses to the food service account. Control over the school food service account must be retained by the SFA.

Part 210.14(a)
Part 252.5(c)

All goods, services, or monies received as the result of a rebate under a processing contract will be utilized in the SFA's nonprofit food service.

SP-121
January 31, 1990

Contracts are not to be effective prior to the date they are signed. Provisions for equipment purchases entailing payment to the FSMC over a period in excess of 1 year are not permitted. Guaranteed returns to the SFA must be made annually and must not be conditional on any contract extension.

SP-106
July 6, 1989

FSMC contracts which are over \$25,000 must also have a "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions."

All ITBs/RFPs/Contracts allowing the FSMC to operate under a cost-reimbursable clause must contain the following, or a similar, provision:

SP-92-185
March 3, 1992

The contractor must agree that all procurement for items such as food, supplies, ancillary services related to this contract, or any costs which are billed to the SFA shall conform to the standards set forth in 7 CFR 3015, and OMB Circular A-102 (Attachment O), and the State of Procurement Code which provide for maximum open and free competition.

Depending upon the size of the contract, certification of compliance with the provisions for the following Acts and Regulations must be included:

OMB Cir A-102
Attachment "O"
Para 14. f.

If the contract is expected to exceed \$2,500, the contractor must agree to comply with Section 103 of the Contract Work Hours and Safety Standards Act (40 USC 327-330) as supplemented by Department of Labor Regulations (29 CFR, Part 5). Under Section 103 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard workday of 8 hours and a standard workweek of 40 hours. Work in excess of the standard workday or workweek is permissible provided that the worker is compensated at a rate of not less than 1-1/2 times the basic rate of pay for all hours worked.

OMB Cir A-102
Attachment "O"
Para 14. c.

If the contract will exceed \$10,000, the contractor must agree to comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor Regulations (41 CFR, Part 60).

OMB Cir A-102
Attachment "O"
Para 14. h.

All negotiated contracts shall include a provision to the effect that the grantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers, and records of the contractor which are directly pertinent to this specific contract for the purpose of making audit, examination, excerpts, and transcriptions.

OMB Cir A-102
Attachment "O"
Para 14. j.

The contractor shall comply with the mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

OMB Cir A-102
Attachment "O"
Para 14. i.

If the contract is expected to exceed \$100,000, the contractor must comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 USC 1857(h)), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency (EPA) Regulations (40 CFR, Part 15) which prohibit the use under non-exempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. The provision shall require reporting of violations to the grantor agency and to the USEPA Assistant Administrator for Enforcement (EN-329).

The SFA shall not delegate any of the following responsibilities to the FSMC:

Part 210.16(a)(5)

Signature authority on the application/agreement to participate in the NSLP, School Breakfast Program (SBP), and Special Milk Program (SMP) including the SFA's free/reduced price policy statement and Claim for Reimbursement

Part 245.10(a)

Development, distribution and collection of the parent letter and application for free/reduced price meals and milk

Part 245.6(b) Part 245.7 FNS-274, p. 25, q. 11	Determination of eligibility for free/reduced price meals and free milk and the conduct of any hearings related to such determinations
Part 245.6(a)	Verification of applications for free/reduced price meals
Part 210.16(a)(2) Part 210.9(b)(1-4)	Control of the school food service account and overall financial responsibility for the NSLP, SBP and SMP
Part 210.16(a)(4)	Establishment of all program and non-program meal and a la carte prices
Part 210.16(a)(6)	Title to USDA donated foods
Part 210.16(a)(3)	SFA monitoring responsibilities of FSMC operation
Part 210.16(a)(8)	Establishment and maintenance of an advisory board composed of parents, teachers, and students to assist in menu planning
Part 210.16(a)(4)	Control of the quality, extent, and general nature of the school food service

III. On-site Reviews

During the on-site review phase, the SA looks more closely at the SFA's procedures for soliciting and selecting the FSMC and the SFA's system for monitoring the FSMC's performance and compliance with the terms of the Contract. Although the SA has already evaluated the ITB/RFP in conjunction with the initial Contract, the SA must ensure the SFA has fully documented the resulting procurement action allowed for maximum open and free competition. As such, the SFA must have requested proposals from a number of sources; published a public notice in accordance with State and local requirements to advertise the solicitation process; and filed all proposals received along with the reason(s) the proposal selected was deemed to be the most responsive.

The SA must also assure that the SFA contract administration requirements have been met through periodic on-site reviews by the SFA. At a minimum, this review should show the following (See Attachment C):

- (1) all federally donated foods received and made available to the FSMC were used only in the nonprofit food service and/or actions necessary for correcting such deficiencies were taken;
- (2) if meals or meal components were prepared at sites that were outside the school, the health certification was maintained and all State and local Regulations are being met and/or actions necessary for correcting these deficiencies have been taken;

(3) if meals or meal components were prepared at the school, the FSMC followed all State and local Regulations and/or actions necessary for correcting such deficiencies were taken;

(4) during the initial contract period, the FSMC adhered to the menu cycle for the first 21 days and after the first 21 days, made no changes without prior approval from school officials;

(5) the foods used in meal preparation, in terms of quality and condition, meet or exceed the detailed specifications for each food component as detailed in Part 210.10 of the Regulations or otherwise meet the requirements of the contract or actions necessary for correcting any such deficiencies were taken;

(6) prices charged to children were approved by the appropriate officials and/or actions necessary for correcting such deficiencies were taken; and

(7) an advisory board composed of parents, teachers, and students was established to assist in menu planning.

The SA on-site evaluation should also determine that the SFA has maintained the health certification for each school preparation site and retained the signature authority on its agreement, free/reduced price policy statement and claims for reimbursement (See Attachment D).

CHECKLIST
for
EVALUATING SCHOOL FOOD AUTHORITY (SFA)
PROCUREMENT OF SERVICES
FROM
FOOD SERVICE MANAGEMENT COMPANIES (FSMCs)

Date of SA Review:

Reviewer Name:

SFA:

FSMC:

Document(s) evaluated:

Proposed ITB/RFP___ Completed ITB/RFP___

Proposed Contract___ Signed Contract___

Contract Extension___

<u>Requirement</u>	<u>ITB/RFP - Contract</u>	<u>Item Location/Comments</u>
1. 210.16(b)(1)	The ITB/RFP must include a 21-day cycle menu.	_____
2. 210.16(b)(1)	If the 21-day cycle menu is not included, the SA must give prior approval for the SFA to request 21-day cycle menu from each FSMC bidding.	_____
3. 210.16(b)(2) 210.21(b)	The ITB/RFP must state that nonperformance subjects the FSMC to specified sanctions if the FSMC violates or breaches terms of the contract and that the SFA is the responsible authority without recourse to FNS or the SA for the settlement and satisfaction of all contractual and administrative issues arising from the transaction. Such authority includes, but is not limited to, source evaluation, protests, disputes, claims, or other matters of contractual nature. Matters concerning violation of the law will be referred to the local, State, or Federal authority that has proper jurisdiction. (See Attachment B)	_____
4. 210.21 OMB Cir A-102 Attachment "D" Para 10	The ITB/RFP and contract must identify each regulatory requirement the FSMC is expected to meet, including selection procedures which provide for maximum open and free competition.	_____

5. 210.16(c)(1)
210.23(c) The FSMC must maintain records the SFA will need to support its Claim for Reimbursement and retain such records for a 3-year period from the date of receipt of final payment under the contract. If audit findings have not been resolved, the records must be retained beyond the 3-year period as required for the resolution of the issues raised by the audit.

6. 210.16(c)(2) The FSMC must maintain for the period of the contract, State or local health certification for any facility outside the school in which it will prepare meals.

7. 210.16(c)(3) No payments will be made for meals that are spoiled or unwholesome at the time of delivery or do not meet detailed specifications for each food component as detailed in Part 210.10 of the Regulations or do not otherwise meet the requirements of the contract.

8. 210.16(d) The period of the contract may not exceed one year with the option of four annual renewals to extend the contract. The basis for renewing a contract, including price increase or decrease provisions, if any, must be stated in the contract and ITB/RFP, as appropriate.

9. 210.16(d) Either party may cancel for cause if notification is provided no less than 60 days prior to the effective date of the termination.

10. 210.16(a)(6)
250.12(b)(3) Any USDA donated commodities received by the SFA and made available to the FSMC must accrue only to the benefit of and be used only in the SFA's nonprofit school food service. The liability for the proper use of these commodities will be the responsibility of the FSMC. The FSMC shall maintain accurate and complete records with respect to use/disposition, storage, and inventory of donated foods. Failure by the FSMC to maintain records required under the contract shall be considered prima facie evidence of improper use or loss of donated foods. The SFA will obtain restitution from the FSMC in connection with any claim for improper distribution, use or loss of, or damage to donated foods.

11. 210.16(c) Cost-plus-a-percentage-of-cost or cost-plus-a-percentage-of-income contracts are not permitted.

12. 210.14(a) Revenues will only be used for the SFA's non-profit school food service program and will not accrue to the FSMC. All revenue and any expenses which are charged to an SFA (under cost-plus-fee contracts) must flow through the SFA's chart of accounts. FSMC expenses which are not billed to the SFA cannot be recorded as expenses to the food service account. Control over the school food service account must be retained by the SFA.

13. 210.14(a)
252.5(c) All goods, services, or monies received as the result of a rebate under a processing contract will be utilized in the SFA's nonprofit food service.

14. SP-121
January 31, 1990

Contracts are not to be effective prior to the date they are signed. Provisions for equipment purchases entailing payment to the FSMC over a period in excess of 1 year are not permitted. Guaranteed returns to the SFA must be made annually and must not be conditional on any contract extension.

15. SP-106
July 6, 1989

FSMC contracts which are over \$25,000 must also have a "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions."

All ITBs/RFPs/Contracts allowing the FSMC to operate under a cost-reimbursable clause must contain the following provision:

16. SP-92-185
March 3, 1992

The contractor must agree that all procurement for items such as food, supplies, ancillary services related to this contract, or any costs which are billed to the SFA shall conform to the standards set forth in 7 CFR 3015, and OMB Circular A-102 (Attachment O), and the State of _____ Procurement Code which provide for maximum open and free competition.

Depending upon the size of the contract, certification of compliance with the provisions for the following Acts and Regulations must be included:

17. OMB Cir A-102
Attachment "O"
Para 14. f.

If the contract is expected to exceed \$2,500, the contractor must agree to comply with Section 103 of the Contract Work Hours and Safety Standards Act (40 USC 327-330) as supplemented by Department of Labor Regulations (29 CFR, Part 5). Under Section 103 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard workday of 8 hours and a standard workweek of 40 hours. Work in excess of the standard workday or workweek is permissible provided that the worker is compensated at a rate of not less than 1-1/2 times the basic rate of pay for all hours worked.

18. OMB Cir A-102
Attachment "O"
Para 14. c.

If the contract will exceed \$10,000, the contractor must agree to comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor Regulations (41 CFR, Part 60).

19. OMB Cir A-102
Attachment "O"
Para 14. h.

All negotiated contracts shall include a provision to the effect that the grantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers, and records of the contractor which are directly pertinent to this specific contract for the purpose of making audit, examination, excerpts, and transcriptions.

20. OMB Cir A-102
Attachment "O"
Para 14. j.

The contractor shall comply with the mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

21. OMB Cir A-102
Attachment "O"
Para 14. i.

If the contract is expected to exceed \$100,000, the contractor must comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 USC 1857(h)), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency (EPA) Regulations (40 CFR, Part 15), which prohibit the use under non-exempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. The provision shall require reporting of violations to the grantor agency and to the USEPA Assistant Administrator for Enforcement (EN-329).

The SFA shall not delegate any of the following responsibilities to the FSMC (items 22 through 31):

- | | | |
|--|---|-------|
| 22. 210.16(a)(5) | Signature authority on the application/agreement to participate in the NSLP, School Breakfast Program (SBP), and Special Milk Program (SMP) including the SFA's free/reduced price policy statement and Claim for Reimbursement | _____ |
| 23. 245.10 (a) | Development, distribution and collection of the parent letter and application for free and reduced price meals and milk | _____ |
| 24. 245.6(b)
245.7
FNS 274, p. 25, q. 11 | Determination of eligibility for free/reduced price meals and free milk and the conduct of any of hearings related to such determinations | _____ |
| 25. 245.6(a) | Verification of applications for free/reduced price meals | _____ |
| 26. 210.16(a)(2)
210.9(b)(1-4) | Control of the school food service account and overall financial responsibility for the NSLP, SBP and SMP | _____ |
| 27. 210.16(a)(4) | Establishment of all program and non-program meal and a la carte prices | _____ |
| 28. 210.16(a)(6) | Title to USDA donated foods | _____ |
| 29. 210.16(a)(3) | SFA monitoring responsibilities of FSMC operation | _____ |
| 30. 210.16(a)(8) | Establishment and maintenance of an advisory board composed of parents, teachers, and students to assist in menu planning | _____ |
| 31. 210.16(a)(4) | Control of the quality, extent, and general nature of the school food service | _____ |

EXAMPLES - NONPERFORMANCE SANCTIONS

The sanctions cited herein are merely examples and should not be looked at as an all-inclusive list. As such, the SA has the flexibility to decide whether to require SFAs to use one of them or not, modify one of them, or develop an additional one(s). However, before any clause is used, ensure that the requirements of your State and local statutes are met.

"The SCHOOL FOOD AUTHORITY may terminate this Contract for breach/neglect as determined by the SCHOOL FOOD AUTHORITY when considering such items as failure to maintain and enforce required standards of sanitation, failure to maintain proper insurance coverage as outlined by Contract, failure to provide required periodic information/statements, or failure to maintain quality of service at a level satisfactory to the SCHOOL FOOD AUTHORITY. The SFA is the responsible authority without recourse to FNS or the SA for the settlement and satisfaction of all contractual and administrative issues arising from the transaction. Such authority includes, but is not limited to, source evaluation, protests, disputes, claims, or other matters of contractual nature. Matters concerning violations of the law will be referred to the local, State, or Federal authority that has proper jurisdiction."

"Failure to provide and maintain the insurance required by the provisions of this Contract shall constitute a breach of Contract for which the SCHOOL FOOD AUTHORITY may immediately terminate the Contract without notice to the COMPANY, or, at the SCHOOL FOOD AUTHORITY'S option, SCHOOL FOOD AUTHORITY may procure such insurance and all premiums paid by the INSTITUTION thereof shall be reimbursed to the SCHOOL FOOD AUTHORITY by deducting such amounts from subsequent payments due COMPANY for services rendered by COMPANY under this Contract. The SFA is the responsible authority without recourse to FNS or the SA for the settlement and satisfaction of all contractual and administrative issues arising from the transaction. Such authority includes, but is not limited to, source evaluation, protests, disputes, claims, or other matters of contractual nature. Matters concerning violation of the law will be referred to the local, State, or Federal authority that has proper jurisdiction."

"Failure to maintain the health department's required rating shall constitute a default on the part of COMPANY and shall, at the option of the SCHOOL FOOD AUTHORITY, render the Contract terminated. The SFA is the responsible authority without recourse to FNS or the SA for the settlement and satisfaction of all contractual and administrative issues arising from the transaction. Such authority includes, but is not limited to, source evaluation, protests, disputes, claims, or other matters of contractual nature. Matters concerning violation of the law will be referred to the local, State, or Federal Authority that has proper jurisdiction."

SCHOOL FOOD AUTHORITY ON-SITE REVIEW OF FOOD SERVICE MANAGEMENT COMPANY (FSMC)
PREPARATION AND/OR SERVING SITES

Name and Address of Facility:

DATE:

Type of Preparation: School Kitchen ____ Central Kitchen ____ FSMC Site ____

Average number of children served at each meal and time of service:

	<u>Average Number of Meals</u>	<u>Time of Preparation/Delivery</u>	<u>Time of Meal Service</u>
Breakfast	_____	_____	_____
Lunch	_____	_____	_____
Other	_____	_____	_____

1. Does the delivery/preparation/serving schedule agree with the contract?
2. Will hot foods remain hot and cold foods cold?
If no, why not?
3. Should the preparation/delivery/serving schedule be revised?
4. Are menus and production records maintained?
5. Do the menus and production records demonstrate that all components and amounts meet program requirements?
6. Is the approved menu cycle followed?
7. Has the health department inspected the facility?
8. Are sanitary procedures followed as prescribed by State and local health departments in all aspects of food service, i.e., wearing hair restraints and gloves, washing hands, etc.?
9. Is the preparation area kept clean at all times?
10. Are frozen foods thawed under refrigeration?
11. Are cooking utensils sanitized?
12. When shipments are received, are they checked for proper quantities?

13. Are all food items (purchased or commodities) properly stacked, palletized, and/or shelved?
14. Are all food items (purchased or commodities) used in the nonprofit food service?
15. Are food items stored with cleaning equipment or nonfood items such as paint, kerosene, gasoline, or other cleaning supplies?
16. Are readable thermometers in all storage areas?
17. Is there evidence of a rodent/insect problem?
18. Record the types/quantity of food prepared by the FSMC on the day of the review:

<u>Item</u>	<u>Type of Food Used</u>	<u>Total Quantity Prepared</u>
Milk as a Beverage	_____	_____
Fruit or Vegetable or Juice	_____	_____
Bread or Cereal or Bread Alternate	_____	_____
Meat or Meat Alternate	_____	_____

19. Are components missing or insufficient quantities prepared?
20. Based on the review of all records and observing the meal, does it appear that food specifications as outlined in the contract are being met?
21. List deficiencies which are not in compliance with program/contract requirements.
22. Was each deficiency discussed with FSMC officials during the review and appropriate corrective action agreed upon?

Date	Title	FSMC Representative Signature
Date	Title	Signature

Food Service Management Company Review Form

SFA:				
REVIEW AREAS	YES	NO	N/A	COMMENTS
Food Service Management Company (FSMC)				
1. If the SFA contracted with a FSMC, has the SA evaluated the request for proposal and contract for such services? (If no, copies should be submitted to the SA for review.)				
2. Has the SFA kept on file all bid proposals and the reason(s) the proposal selected was deemed to be the most responsive?				
3. Has the SFA retained the signature authority on the agreement, free and reduced price policy statement and claims for reimbursement?				
4. Did the FSMC adhere to the menu cycle for the first 21 days?				
5. Does the SFA have records to demonstrate that it monitors meals served for meeting meal requirements?				
6. Are food purchases evaluated to assure the FSMC complies with food specifications?				
7. Are the prices of items that may be sold individually by the FSMC screened and approved by the SFA?				
8. Does the SFA monitor bills submitted by the FSMC for accuracy?				
9. Are all donated foods received by the FSMC used only in the nonprofit food service?				
10. Does the FSMC have inventories of open order government commodities which exceed a two to three-month need?				
11. If meals or meal components are prepared at sites outside the school, does the FSMC maintain proper health certification and meet all state and local regulations?				
12. If meals or meal components are prepared at the school, does the FSMC follow all state and local health requirements?				